

STATE OF INDIANA)
) SS:
COUNTY OF PORTER)

IN THE PORTER SUPERIOR COURT
CAUSE NO. 64D02-0804-PL3332

STATE OF INDIANA,)
)
Plaintiff,)
)
v.)
)
FRANK J. MONAHAN III and)
ERROL GERSTLER, individually,)
MORTGAGE CONSULTANTS GROUP)
AND CREDIT REPAIR, INC.,)
AMERICA'S CREDIT REPAIR, INC.,)
and LAKE COUNTY RECOVERY, Inc.,)
)
Defendants.)

FILED
IN OPEN COURT

JUL 10 2008

William E. Olsen
JUDGE PORTER SUPERIOR COURT

DEFAULT JUDGMENT

The Plaintiff, State of Indiana, having filed its Motion for Default Judgment and the Court having read the same and, being duly advised in the premises, now finds the following:

1. The Court has subject matter jurisdiction and personal jurisdiction over the Defendant, Frank J. Monahan III, individually and doing business as Lake County Recovery, Inc., only.
2. The Defendant was served with notice of these proceedings and a copy of the Complaint for Injunction, Restitution, Costs, and Civil Penalties.
3. The Defendant has failed to appear, plead, or otherwise respond to the complaint.
4. The Defendant is not an infant, incompetent, or in military service.

THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED that the Motion for Default Judgment is **GRANTED** in favor of the plaintiff, State of Indiana, and against the

Defendant, Frank J. Monahan III, individually and doing business as Lake County Recovery, Inc., only.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to Indiana Code § 24-5-0.5-4(c)(1), the Defendant, Frank J. Monahan III, individually and doing business as Lake County Recovery, Inc., his agents, representatives, employees, successors and assigns, are permanently enjoined from engaging in the following:

- a. in the course of performing services as a credit services organization, failing to obtain a surety bond in the amount of Twenty-Five Thousand Dollars (\$25,000.00) prior to engaging in business in Indiana as a credit services organization;
- b. in the course of performing services as a credit services organization, charging or receiving money or other valuable consideration before the complete performance of services on behalf of a consumer, unless the defendants have obtained a surety bond issued by a surety company admitted to do business in Indiana or established an irrevocable letter of credit under Indiana Code §24-5-15-8;
- c. in the course of performing services as a credit services organization, failing to provide the consumer with a written statement containing each of the provisions required by Indiana Code § 25-5-15-6 prior to executing a contract or receiving valuable consideration;
- d. in the course of performing services as a credit services organization, failing to

- b. The Defendant shall pay consumer restitution, pursuant to Ind. Code § 24-5-0.5-4(c)(2), in the amount of One Hundred Twenty-One Thousand Dollars (\$121,000.00), payable to the Office of the Attorney General for the benefit of:
- i. Shandar Bridges, in the amount of Five Hundred Dollars (\$500.00);
 - ii. Herb and Joan Friske, in the amount of One Hundred Five Thousand Five Hundred Dollars (\$105,500); and
 - ii. Yong Lancaster, in the amount of Fifteen Thousand Dollars (\$15,000.00).
- c. Costs in the amount of Five Hundred Forty Dollars (\$540.00), pursuant to Indiana Code § 24-5-0.5-4(c)(3), shall be awarded to the Office of the Attorney General for its reasonable expenses incurred in the investigation and prosecution of this action;
- d. On Count III of the plaintiff's complaint, civil penalties pursuant to Indiana Code § 24-5-0.5-4(g) shall be awarded for the Defendant's knowing violations of the Deceptive Consumer Sales Act, in the amount of Fifty Thousand Dollars (\$50,000), payable to the State of Indiana; and
- e. On Count III of the Plaintiff's complaint, civil penalties pursuant to Indiana Code § 24-5-0.5-8 for the Defendant's intentional violations of the Deceptive Consumer Sales Act, in the amount of Five Thousand Dollars (\$5,000), payable to the State of Indiana.

A total monetary judgment in the amount of One Hundred Eighty-One Thousand Forty Dollars (\$181,040.00) shall therefore be entered in favor of the Plaintiff, State of Indiana, and against the Defendant, Frank J. Monahan III, individually and doing business as Lake County Recovery, Inc., only.

All of which is **ORDERED, ADJUDGED AND DECREED** on this 10 day of July, 2008.


Judge, Porter Superior Court

DISTRIBUTION:

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